# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL NOTE

### HB 2411 - SB 2880

February 21, 2022

**SUMMARY OF BILL:** Requires that the sale of any interest or rights in minerals, coal, natural gas, oil, timber, and any other energy-related resources by, or on behalf of, the Tennessee Fish and Wildlife Commission or the Tennessee Wildlife Resources Agency (TWRA) be continuously and publicly advertised on the Department of General Services (DGS) website for the 90-day period immediately preceding the date of the sale.

Requires the DGS to continuously and publicly advertise the sale of any surplus property by the TWRA, which was seized and forfeited, for the ninety-day period preceding any sale of such item or wildlife.

Requires the proceeds of any sale of contraband or forfeitures seized by the TWRA, be deposited into the General Fund, rather than the Wildlife Resources Fund.

Creates a Class A misdemeanor offense for any member of the Tennessee Fish and Wildlife Commission or employee of the TWRA to purchase from the state except by bid at public auction or by internet auction, using a personal computer on personal time, any surplus property during the tenure of such person's office or employment, or for six months thereafter.

#### **FISCAL IMPACT:**

Increase State Revenue –

\$1,049,100/FY22-23 and Subsequent Years/General Fund

Decrease State Revenue - \$1,049,100/FY22-23 and Subsequent Years/ Wildlife Resources Fund

Other Fiscal Impact – This legislation could jeopardize approximately \$27,000,000 in funding received annually into the Wildlife Resources Fund if the U.S. Fish and Wildlife Services determine that the state diverted hunting and fishing license revenue from the TWRA.

#### Assumptions:

• Based on information from the TWRA, the Agency has averaged approximately \$1,049,146 in revenue each year over the past 5 years from the sale of personal property assets.

- This legislation will require that this \$1,049,146 no longer be placed into the Wildlife Resources Fund, but placed into the General Fund.
- Pursuant to the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration Acts (50 CFR § 80.20), the sale of personal property assets or real personal property assets, that were acquired with license revenue, is defined as "hunting and fishing license revenue."
- TWRA personal property assets and real property assets are assumed to have been acquired with revenue derived from the sale of fish and wildlife licenses.
- Pursuant to 50 CFR § 80.21, if a state diverts license revenue from the control of its fish and wildlife agency, the chief executive official of the U.S. Fish and Wildlife Services may declare a state in "diversion" and make such state ineligible for federal aid.
- The TWRA receives approximately \$27,000,000 annually under the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration Acts.
- This legislation could result in a decrease in state revenue to the Wildlife Fund of approximately \$27,000,000.
- The TWRA and DGS can meet advertising requirement established by this legislation, utilizing existing resources.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

#### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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